

3 January 1964

**MEMORANDUM FOR:** Acting Director of Central Intelligence

**SUBJECT :** Question of CIA Representation on the Ball Committee

**REFERENCE :** Memo from Mr. Knoche, 30 Dec. 63, (EX-63-9578)

1. This memorandum responds to reference request for views on CIA participation in the work of the Ball Committee and contains a recommendation in paragraph 5.

2. The Ball Committee on the foreign aid program appears mainly concerned with reorganizing the bureaucratic facade and describing the aims of the program in a context that will best assure its approval in Congress. Substantive questions of intelligence are not likely to play a significant role in the Committee's deliberations or conclusions. On the other hand a CIA representative on the Committee might provide confirmatory information about the problems and impact of the aid program in general or in specific countries. Moreover, it might be useful for the Agency to gain a more intimate understanding of the proposed scope and rationale of future aid programs, the administration of which will affect many important countries which we have under close intelligence scrutiny. From the government-wide point of view, I think it might be sound for the DCI's prestige to be associated in some fashion with a finding that a substantial foreign aid program does tend to influence developments abroad in a way favorable to US interests, if this is in fact the case.

3. AID has available to it almost all CIA finished intelligence on the countries in which there are aid programs. We have had specific requests for detailed briefing of mission chiefs where AID has had reason to believe that reporting from the DD/I area may have a direct bearing on the AID Program to be developed in a given area. We receive frequent ad hoc or informal requests to review or assist in the formulation of papers at the working level which are to be issued finally as policy guidance for program formulation. In addition, DD/I personnel provide regular briefings for senior AID officers going abroad and debriefings of those returning for home leave or reassignment. Finally,

this directorate participates in the annual interdepartmental review of the AID program proposals prepared for congressional action.

4. Evaluating the extent of AID use of DE/I reports and National Estimates is at best a tenuous project. We have had evidence of direct use or consideration of these reports at program policy levels including both cases in which the program appeared to coincide with the intelligence report or estimate and cases in which the program appeared at odds with intelligence furnished. We have often received comments on materials furnished AID through their representative on the Economic Intelligence Committee. There are probably some individuals at policy levels who have never read any of these materials but I would doubt if there were any policy people who have not been exposed to the content of these materials in background briefings and staff papers.

5. A more active role in support of these policymakers could be achieved through more direct CIA participation in the regional and senior staff review groups of AID. This course would tend, however, to draw excessively on the limited time of our more senior professional personnel. I doubt that a forward thrust at this level would help the Agency or the government a great deal.

6. In view of the foregoing, my recommendation of the optimum course would be for the DCI to designate a CIA representative to sit with the Ball Committee for the express purpose of insuring that the findings of the Committee on the impact of aid programs abroad are compatible with intelligence data and appreciations. The Agency representative should not be committed to take a position on the wisdom or unwisdom of the administrative aspects of the Ball Committee recommendations. In fact, however, the representative could keep the DCI advised of any proposals before the Committee that would affect Agency interests or activities in Washington or abroad.

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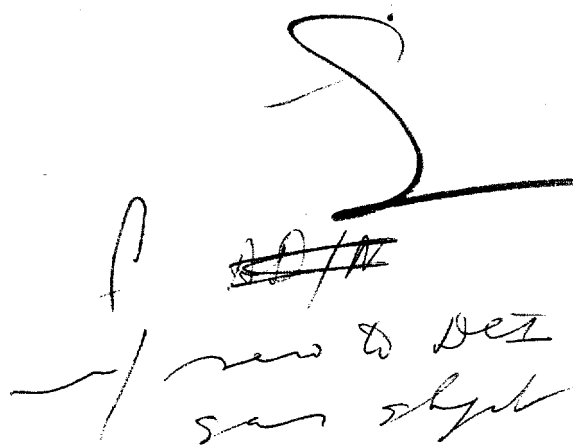
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